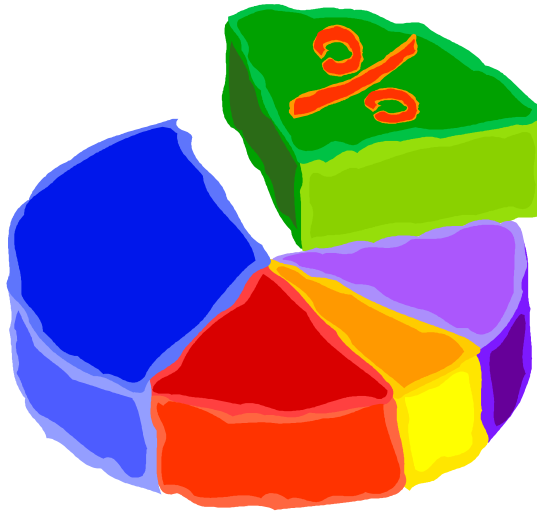


**TOWN OF DANVERS
FY 2015 TAX CLASSIFICATION HEARING
NOVEMBER 18, 2014**



**PRESENTED BY
BOARD OF ASSESSORS
*Marlene M. Locke, Chief Assessor***

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PROPERTY VALUES

NEWS RELEASE- November 14, 2014

The Board of Assessors is required by Massachusetts law to complete a triennial update of property values every three years. The next scheduled triennial update is set for fiscal 2016. In the interim years between triennial updates, the Assessors must do an analysis of property sales to see if an adjustment of property values is necessary, in response to changes in the real estate market. The goal in conducting triennial updates and interim year adjustments is to maintain assessments at “full and fair cash value”; this is done by collecting, recording and analyzing information about the physical characteristics of property as well as the real estate market. This ensures that each taxpayer pays their fair share of the cost of local government in proportion to the amount of money their property is worth. For fiscal year 2015, calendar year 2013 property sales as well as income and expense information, submitted by income-producing property owners, for the same time period were analyzed. For commercial and industrial properties and some residential properties, the last six months of calendar year 2012 and the first six months of 2014 were included in the analysis as well. The additional twelve months is used when there is not a sufficient number of sales of a particular property type.

The analysis indicated that an interim adjustment of property values was necessary for fiscal year 2015 for most property types. Properties values increased overall 1.8% for single family homes, 2.8% for condominiums, 2.3% for 2 and 3 family homes and 8.7 % for apartment buildings. Increases for commercial and industrial properties were less than 1%. After the adjustments were made and the analysis was completed, the results indicated that the Town’s assessments were equitable and consistent within and between all property classes and that they conformed to the accepted mass appraisal measures of assessments level and uniformity, as required by the Department of Revenue. Properties that were issued building permits for new construction or improvements, properties that were part of the cyclical inspection program or properties that had other physical changes may see a change in the value of their property different from what is listed above, depending on the extent of the improvements. Total taxable value for real estate and personal property for fiscal 2015 is 4,056,879,982 which is a 3% increase over last year’s taxable value of 3,934,210,567.

The Board of Selectmen will hold a public Tax Classification Hearing on November 18, 2014 at 7:00 PM in the Daniel J. Toomey Hearing Room at Town Hall. The purpose of the hearing is for the Board of Selectmen to determine the percentages of the tax burden to be borne by each class of property for fiscal year 2015 (that means choosing a tax factor of between 1 and 1.50). Last year’s tax factor was 1.27, which resulted in a shift of the tax burden; as a result, the residential levy percentage decreased from 73.39% to 66.21% and the CIP levy percentage increased from 26.61% to 33.79%. Total tax levy for fiscal 2014 was \$64,756,755.74.

At the public hearing, the Board of Assessors will present information regarding property values as well as options available to the Board of Selectmen in regards to allocating the tax burden among the major property classes. This information will be available prior to the hearing in the form of a report prepared by the Board of Assessors. You can pick up a copy of the report at the Assessors Office beginning Monday, November 17th, or you can go to the calendar on the front page of the Town’s website www.danvers.govoffice.com and click on the link for the Tax Classification Hearing.

The Board of Assessors will set the tax rate(s) after the Board of Selectmen holds the Classification Hearing and votes are taken on the available options. The tax rate is determined based on many factors, including total taxable real estate and personal property values, appropriations from Town Meeting, State aid and other Town revenues and expenditures.

Printouts of property values are available at the Assessors Office and will also be posted on the Assessing Department webpage on the Town’s website. Value changes and tax information will be reflected on the third-quarter tax bills, which will be mailed at the end of December.

WHAT ARE LEVY, LEVY LIMIT AND EXCESS LEVY CAPACITY?

Levy is the amount the Town raises each year through property tax. The levy can be any amount up to the levy limit defined by Proposition 2 ½. The levy limit is the maximum amount the Town can levy in a given year. The levy limit can grow each year by 2 ½ percent of the prior year's levy limit plus new growth and any overrides. Excess levy capacity is the difference between the levy limit and the actual levy.

For the FY 2015 levy limit calculation refer to Addendum A

WHAT IS NEW GROWTH?

New growth is a calculation of the net increase in municipal property values because of new construction, improvements to properties, subdivisions, condo conversions or the return of exempt property to the tax roles. New growth can be added to the Town's levy limit as defined by Proposition 2 ½, thereby increasing the Town's taxing capacity. Assessors must submit documentation of new growth to the Bureau of Local Assessment annually and receive approval prior to setting the tax rate.

New growth is calculated by multiplying all increases in value, which are not the result of a revaluation or interim adjustment, by the applicable tax rates of the previous fiscal year for each class of property. For example, FY 2015 new growth is determined by multiplying the new growth value for each class of property by the applicable FY 14 tax rates.

The table below illustrates the FY 2015 new growth calculation.

PROPERTY CLASS	NEW GROWTH VALUE	FY 2014 TAX RATES	NEW GROWTH DOLLARS
Residential	51,861,715	\$14.85	770,146
Commercial	7,117,346	\$20.90	148,753
Industrial	3,271,600	\$20.90	68,376
Personal Property	10,045,843	\$20.90	209,958
TOTAL			1,197,233

The chart on the next page illustrates taxable value by class and new growth value and dollars for fiscal years 2012-2015

TAXABLE VALUE BY CLASS FISCAL YEARS 2012-2105

FY	RES VALUE	COMM VALUE	IND VALUE	PP VALUE	TOTAL VALUE	RES %	CIP %
2015	3,002,828,568	763,713,497	202,842,775	87,495,142	4,056,879,982	74%	26%
FY							
2014	2,887,313,241	759,197,158	198,658,175	89,041,993	3,934,210,567	74%	26%
FY							
2013	2,858,553,560	749,530,305	198,297,875	88,425,460	3,894,807,200	73%	27%
FY							
2012	2,875,693,392	760,897,150	199,377,475	86,613,448	3,922,581,465	73%	27%

NEW GROWTH VALUE FISCAL YEARS 2012-2105

FY	RES NEW GROWTH	CIP NEW GROWTH	TOTAL NEW GROWTH	RES %	CIP %
2015	51,861,715	20,434,789	72,296,504	72%	28%
FY					
2014	26,154,921	26,006,299	52,161,220	50%	50%
FY					
2013	17,955,517	22,286,145	40,241,662	45%	55%
FY					
2012	13,032,500	23,291,079	36,323,579	36%	64%

NEW GROWTH DOLLARS FISCAL YEARS 2012-2105

FY	RES NEW GROWTH	CIP NEW GROWTH	TOTAL NEW GROWTH	RES %	CIP %
2015	770,146	427,087	1,197,233	64%	36%
FY					
2014	380,293	526,108	906,401	42%	58%
FY					
2013	250,120	431,906	682,026	37%	63%
FY					
2012	174,636	434,844	609,480	29%	71%

WHAT HAPPENS AT THE TAX CLASSIFICATION HEARING?

Once property has been classified, the Board of Selectmen call and conduct a public hearing regarding the issue of allocating the percentage of tax levy to be borne by each class of property for the fiscal year. In this report and at the public hearing, the Board of Assessors will provide information and relevant data including the fiscal effects of the available alternatives. The Board of Selectmen will then make decisions and take votes that will apply for fiscal year 2015.

Some economic and other issues that may be considered at the classification hearing are:

- The percentage of commercial & industrial properties as compared to residential
- Will an increased tax burden on C & I significantly lower the R tax burden
- What is the mix of C & I properties?
 - How much is big business?
 - How much is small business (mom & pop)?
- Do the C & I properties require extraordinary municipal services?
- Will a tax shift drive small businesses out of the Town or slow big business development?
- Does business significantly contribute in a non-tax way to the Town?
- Will a shift to the C & I maintain or increase the relative or historical share of the tax burden?
- Is it a matter of principle or economics?

The Board of Selectmen will make tax policy decisions and take votes on the following:

1. Selection of a residential factor
2. Open space discount
3. Residential exemption
4. Small commercial exemption

TAX POLICY DECISIONS

An amendment to the Massachusetts Constitution endorsed by the electorate in 1978 resulted in the Classification Act. This Act requires municipalities to classify real property into one of four classes, according to use: residential, open space, commercial and industrial.

Municipalities that are certified as assessing property at full and fair cash value may elect to shift the tax burden among the major property classes within certain limits established by law. The adoption of different rates does not change the total property tax levy; rather it determines the share of the total levy to be borne by each class.

Municipalities have several options in distributing the tax levy among taxpayers under property tax classification. Use of these options results in more than one tax rate for different property classes because they change the components used to calculate the rate; for example, the amount of the tax levy being paid by or the assessed valuation of, the class.

Municipalities must decide whether (1) to tax all classes of property at their full and fair cash valuation share of the tax levy, which results in a single tax rate, or (2) to reduce the share of the tax levy paid by the residential and open space property owners and shift those taxes to commercial, industrial and personal property taxpayers, which results in a split tax rate.

The Board of Selectmen must decide the percentages of the tax levy that each class of real and personal property will bear. To do so, a residential factor is adopted. The residential factor governs the percentage of the tax levy to be paid by residential and open space property taxpayers; the difference is shifted to commercial, industrial and personal property taxpayers. The adopted factor cannot be less than the minimum residential factor (MRF) calculated by the Department of Revenue. The MRF represents the maximum shift allowed in the tax levy for the year and establishes the parameters for local decision-making.

For the FY 2015 MRF computation refer to Addendum B

Municipalities may also consider whether to allow (1) an open space discount, (2) a residential exemption, and (3) a small commercial exemption.

Approximately 30% of the cities and towns in Massachusetts have classified tax rates. The Town of Danvers has had classified tax rates since fiscal year 1986. The chosen tax factor was 1.10 from FY 1986 through FY 2000, 1.20 in FY 2001 and 2002, 1.22 in FY 2003 and 2004, 1.35 in FY 2005, 1.40 in FY 2006, 1.42 in FY 2007, 1.36 in FY 2008, 1.32 in FY 2009, 1.31 in FY 2010, 1.26 in FY 2011, 2012 & 2013 and 1.27 in FY14.

1. SELECTION OF A RESIDENTIAL FACTOR

Based on property values submitted to the Department of Revenue, the minimum residential factor (MRF) for fiscal year 2015 is 82.4490. (*Refer to Addendum B for MRF calculation*). Selection of the MRF of 82.4490 would result in a tax factor of 1.50. The Board of Selectmen can choose any factor from 1 to 1.50. If a factor of 1 is chosen, there would be a single tax rate (16.60); if a factor of greater than 1 is chosen, residential will have a different tax rate than commercial, industrial and personal property (CIP). The following information will demonstrate the impact of choosing various factors.

For complete options table refer to Addendum C

Based on fiscal year 2015 property values and estimated tax rates, the residential tax rate would decrease from 16.60 to 13.69 at the minimum residential factor (1.50 factor). It would further mean that the CIP tax rate would increase from 16.60 to 24.90 (1.50 factor). With a factor of 1.40, the residential tax rate would drop from 16.60 to 14.27 and the CIP tax rate would increase from 16.60 to 23.24; with a factor of 1.35, the residential tax rate would drop from 16.60 to 14.56 and the CIP tax rate would increase from 16.60 to 22.41; with a factor of 1.25, the residential tax rate would drop from 16.60 to 15.15 and the CIP tax rate would increase from 16.60 to 20.75. The following examples are based on average assessed values for each class of property using fiscal 2015 property values. It should be noted that when a factor greater than 1 is chosen, the taxes that are shifted away from the residential class and onto the CIP classes affect all CIP properties. By definition some of these properties include vacant residential land that is not subdivided, farm land, the non-residential portion of multi-use properties (home offices, etc.), light or heavy industrial buildings, warehouses, and many other types of property.

Residential Single Family (Average Assessed Value)

Factor	Valuation	Tax Rate	Tax Bill	
1	358,800	16.60	\$5,956	
1.25	358,800	15.15	\$5,436	Decrease at 1.25 factor = \$520 or 8.7%
1.35	358,800	14.56	\$5,224	Decrease at 1.35 factor = \$732 or 12.29%
1.40	358,800	14.27	\$5,120	Decrease at 1.40 factor = \$836 or 14.03%
1.50	358,800	13.69	\$4,912	Decrease at 1.50 factor = \$1,044 or 17.53%

Industrial (Average Assessed Value)

Factor	Valuation	Tax Rate	Tax Bill	
1	1,350,700	16.60	\$22,422	
1.25	1,350,700	20.75	\$28,027	Increase at 1.25 factor = \$5,605 or 25%
1.35	1,350,700	22.41	\$30,269	Increase at 1.35 factor = \$7,847 or 35%
1.40	1,350,700	23.24	\$31,390	Increase at 1.40 factor = \$8,968 or 40%
1.50	1,350,700	24.90	\$33,632	Increase at 1.50 factor = \$11,210 or 50%

Commercial (Average Assessed Value)

Factor	Valuation	Tax Rate	Tax Bill	
1	1,318,000	16.60	\$21,879	
1.25	1,318,000	20.75	\$27,349	Increase at 1.25 factor = \$5,470 or 25%
1.35	1,318,000	22.41	\$29,536	Increase at 1.35 factor = \$7,657 or 35%
1.40	1,318,000	23.24	\$30,630	Increase at 1.40 factor = \$8,751 or 40%
1.50	1,318,000	24.90	\$32,818	Increase at 1.50 factor = \$10,939 or 50%

Personal Property (Average Assessed Value)

Factor	Valuation	Tax Rate	Tax Bill	
1	74,100	16.60	\$1,230	
1.25	74,100	20.75	\$1,538	Increase at 1.25 factor = \$308 or 25%
1.35	74,100	22.41	\$1,661	Increase at 1.35 factor = \$431 or 35%
1.40	74,100	23.24	\$1,722	Increase at 1.40 factor = \$492 or 40%
1.50	74,100	24.90	\$1,845	Increase at 1.50 factor = \$615 or 50%

Using an estimated tax levy of 67,351,917, along with fiscal year 2015 property values, the table below illustrates the % of tax levy and tax levy amount to be borne by each class of property and the corresponding tax rates based on various tax factors for fiscal year 2015:

TAX FACTOR	RESIDENTIAL SHARE OF TAX LEVY	CIP SHARE OF TAX LEVY	RESIDENTIAL TAX LEVY	CIP TAX LEVY	RES TAX RATE	CIP TAX RATE
1	74.0182	25.9818	49,852,661	17,499,256	16.60	16.60
1.20	68.8218	31.1782	46,352,809	20,999,108	15.44	19.92
1.25	67.5227	32.4773	45,477,846	21,874,071	15.15	20.75
1.30	66.2236	33.7764	44,602,884	22,749,033	14.85	21.58
1.40	63.6254	36.3746	42,852,958	24,498,959	14.27	23.24
1.50	61.0273	38.9727	41,103,032	26,248,885	13.69	24.90

The chart on the next page shows estimates for tax bill % changes for a single family home that increased 1.8%, a condominium that increased by 2.8% and a commercial/industrial type property whose value did not change. Highlighted is the % change if the factor remains the same as FY 2014 (1.27).

For complete options table refer to Addendum C

TAX BILL COMPARISON FISCAL YEAR 2015 WITH VARIOUS FACTORS (1.25-1.30)
USING THE FISCAL YEAR 2015 ESTIMATE LEVY OF 67,351,917

PROPERTY TYPE	2014 VALUE	2015 VALUE	VALUE CHANGE	ACTUAL TAX 1 4	PROPOSED TAX 15	TAX % CHNG	TAX FACTOR	ESTIMATED TAX RATE
SINGLE FAMILY	350,000	356,300	1.8%	5,198	5,398	3.85%	1.25	15.15
				5,198	5,377	3.44%	1.26	15.09
				5,198	5,355	3.02%	1.27	15.03
				5,198	5,334	2.62%	1.28	14.97
				5,198	5,312	2.19%	1.29	14.91
				5,198	5,291	1.79%	1.30	14.85
PROPERTY TYPE	2014 VALUE	2015 VALUE	VALUE CHANGE	ACTUAL TAX 1 4	PROPOSED TAX 15	TAX % CHNG	TAX FACTOR	ESTIMATED TAX RATE
CONDOMINIUM	220,000	226,200	2.8%	3,267	3,427	4.90%	1.25	15.15
				3,267	3,413	4.47%	1.26	15.09
				3,267	3,400	4.07%	1.27	15.03
				3,267	3,386	3.64%	1.28	14.97
				3,267	3,373	3.24%	1.29	14.91
				3,267	3,359	2.82%	1.30	14.85
PROPERTY TYPE	2014 VALUE	2015 VALUE	VALUE CHANGE	ACTUAL TAX 1 4	PROPOSED TAX 15	TAX % CHNG	TAX FACTOR	ESTIMATED TAX RATE
COMM/IND	1,300,000	1,300,000	0.00%	27,170	26,975	-0.72%	1.25	20.75
				27,170	27,196	0.10%	1.26	20.92
				27,170	27,404	0.86%	1.27	21.08
				27,170	27,625	1.67%	1.28	21.25
				27,170	27,846	2.49%	1.29	21.42
				27,170	28,054	3.25%	1.30	21.58

TAX LEVY % WITH/WITHOUT CLAFFICIATION FISCAL YEARS 2012-2015

FISCAL YEAR 2015 ESTIMATE (USING LAST YEAR'S FACTOR OF 1.27)

TAX LEVY % WITHOUT CLASSIFICATION				TAX LEVY % WITH 1.27 CLASSIFICATION FACTOR			
RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES% 74 CIP%	RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES% 67 CIP%
49,852,661	17,499,256	67,351,917	26	45,127,861	22,224,056	67,351,917	33

FISCAL YEAR 2014 ACTUAL

TAX LEVY % WITHOUT CLASSIFICATION				TAX LEVY % WITH 1.27 CLASSIFICATION FACTOR			
RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES 73% CIP	RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES 66% CIP
47,524,918.28	17,231,837.46	64,756,755.74	27%	42,876,601.63	21,880,154.11	64,756,755.74	34%

FISCAL YEAR 2013 ACTUAL

TAX LEVY % WITHOUT CLASSIFICATION				TAX LEVY % WITH 1.26 CLASSIFICATION FACTOR			
RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES 73% CIP	RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES 66% CIP
45,890,904.84	16,635,875.06	62,526,779.90	27%	41,563,368.76	20,963,411.14	62,526,779.90	34%

FISCAL YEAR 2012 ACTUAL

TAX LEVY % WITHOUT CLASSIFICATION				TAX LEVY % WITH 1.26 CLASSIFICATION FACTOR			
RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES 73% CIP	RES TAX LEVY	CIP TAX LEVY	TOTAL TAX LEVY	RES 66% CIP
44,241,183.04	16,105,916.77	60,347,099.81	27%	40,058,408.95	20,288,690.86	60,347,099.81	34%

2. OPEN SPACE DISCOUNT

An exemption of up to 25% may be adopted by a vote of the Board of Selectmen for all property that is classified as Class 2 (open space). This exemption, like the residential exemption, must be borne by the residential class, thereby increasing the residential tax rate. This is really a moot issue in Danvers due to the fact that no property in Town meets the strict definition of open space and therefore there are no properties in this class.

3. RESIDENTIAL EXEMPTION

The Board of Selectmen may grant a residential exemption to owner-occupied residential properties. This would allow an exemption of up to 20% of the average assessed valuation of all residential property. In Danvers, with an average assessed value of 355,700 for residential property, an exemption of up to 71,140 could be applied. This exemption must be borne within the overall residential class. Therefore, although some residential properties would receive an exemption of 71,140, their tax rate would increase by 20%. This in effect is a “Robin Hood Theory”, in that it creates a shift within the class that reduces the taxes paid by homeowners with moderately valued properties and shifts those taxes onto owners of rental properties, vacation homes and higher valued properties. In fiscal 2014, only 13 communities adopted this exemption: Barnstable, Boston, Brookline, Cambridge, Chelsea, Everett, Malden, Nantucket, Somerset, Somerville, Tisbury, Waltham and Watertown.

Examples of this are as follows:

Example #1(Lower Assessed Value)

Without Exemption

Assessed Value	Tax Rate	Tax Bill
250,000	16.60	\$4,150

With Exemption

Assessed Value	Tax Rate	Tax Bill	
250,000-71,140=178,860	19.92	\$3,563	Decrease of \$587

Example #2(Higher Assessed Value)

Without Exemption

Assessed Value		Tax Rate	Tax Bill
550,000		16.60	\$9,130

With Exemption

Assessed Value	Tax Rate	Tax Bill	
550,000-71,140=478,860	19.92	\$9,539	Increase of \$409

4. SMALL COMMERCIAL EXEMPTION

The Board of Selectmen may grant a small commercial exemption. This option allows the Town to grant an exemption of up to 10% of the value for commercial property that employs an average of ten or less employees at all locations and has an assessed value of less than one million dollars. This exemption is similar to the residential exemption in that it is a “Robin Hood Theory” and is borne by the commercial/industrial properties even though industrial properties cannot qualify for the exemption.

Some drawbacks of this option are 1) the owner of the property and not the owner of the small business receives the exemption 2) if one business doesn’t qualify, the property doesn’t qualify 3) only a small number of properties would benefit for a small amount of money 4) it would be very time consuming to administer, is not equitable and not easily explainable. It would be very difficult to estimate the impact of this exemption as it is done by value on a parcel-by-parcel basis. If adopted, we would then have to estimate the loss in value to recalculate the CIP tax rate. In fiscal year 2014, only ten communities adopted this exemption: Auburn, Avon, Bellingham, Braintree, Dartmouth, New Ashford, Seekonk, Somerset, Westford and Wrentham.

After the Board of Selectmen takes the votes described herein, the Board of Assessors will submit the required documentation to the Department of Revenue for approval of the tax rate. Once the rate is approved, we will proceed with issuance of the fiscal 2015 third-quarter tax bills.

Respectfully submitted,

BOARD OF ASSESSORS

Marlene M. Locke, Chairman

William P. O’Neill

Phyllis DeChristoforo

**THE COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF REVENUE
FISCAL YEAR 2015 TAX LEVY LIMIT CALCULATION FOR THE TOWN OF DANVERS**

I. TO CALCULATE THE 4 LEVY LIMIT

A. FY2013 Levy Limit	62,546,370
A1. ADD Amended FY2013 Growth	0
B. ADD (IA + IA1) X 2.5%	1,563,659
C. ADD FY2014 New Growth	906,401
C1. ADD FY2014 New Growth Adjustment	0
D. ADD FY2014 Override	0
E. FY2014 Subtotal	65,016,430
F. FY2014 Levy Ceiling	98,355,264

**I. \$ 65,016,430
FY2014 Levy Limit**

II. TO CALCULATE THE FY2015 LEVY LIMIT

A. FY2014 Levy Limit from I.	65,016,430
A1. ADD Amended FY2014 Growth	0
B. ADD (IIA + IIA1) X 2.5%	1,625,411
C. ADD FY2015 New Growth	1,197,233
C1. ADD FY2015 New Growth Adjustment	0
D. ADD FY2015 Override	0
E. ADD FY2015 Subtotal	67,839,074
F. FY2015 Levy Ceiling	101,422,000

**II. \$ 67,839,074
FY2015 Levy Limit**

**III. TO CALCULATE THE FY2015
MAXIMUM ALLOWABLE LEVY**

A. FY2015 Levy Limit from II.	67,839,074
B. FY2015 Debt Exclusion(s)	0
C. FY2015 Capital Expenditure Exclusion(s)	0
D. FY2015 Stabilization Fund Override	0
E. FY2015 Other Adjustment	0
F. FY2015 Water / Sewer	0
G. FY2015 Maximum Allowable Levy	\$ 67,839,074

ADDENDUM A

**COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF REVENUE
FISCAL 15 MINIMUM RESIDENTIAL FACTOR CALCULATION FOR THE TOWN OF DANVERS**

A	B	C	
Class	Full and Fair Cash Valuation	Percentage Share	
1. Residential	3,002,828,568	74.0182%	74.0182%
2. Open Space	0	0.0000%	
3. Commercial	763,713,497	18.8251%	25.9818%
4. Industrial	202,842,775	5.0000%	
5. Personal Property	87,495,142	2.1567%	
TOTALS	4,056,879,982	100.0000%	

Maximum Share of Levy for Classes Three, Four and Personal Property;	150%	X	25.9818% Lines 3C+4C+5C	=	38.9727% Max % Share
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Minimum Share of Levy for Classes One and Two:	100%	--	38.9727% Max % Share	=	61.0273% Min % Share
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Minimum Residential Factor (MRF)	61.0273% Min % Share		74.0182% Lines 1C+2C	=	82.4490% Minimum Residential Factor
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MINIMUM RESIDENTIAL FACTOR	82.4490%
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CHAPTER 58, SECTION 1A MANDATES A MINIMUM RESIDENTIAL FACTOR OF NOT LESS THAN 65%.

ADDENDUM B

What If...Scenario Worksheet

CLASS	VALUE	%	
RES	3,002,828,568	74.0182%	R & O %
OS	0	0.0000%	
COM	763,713,497	18.8251%	C I P %
IND	202,842,775	5.0000%	
PP	87,495,142	2.1567%	
TOTAL	4,056,879,982	100.0000%	

Estimated Tax Levy 67,351,917
Single Tax Rate 16.60

CLASSIFICATION OPTIONS

		Share Percentages					Levy Amounts					Estimated Tax Rates			
CIP Shift	Res Factor	Res	Com	Ind	PP	Total	Res	Com	Ind	PP	Total	Res	Com	Ind	PP
1.00	100.0000	74.0182	18.8251	5.0000	2.1567	100	49,852,661	12,679,095	3,367,576	1,452,586	67,351,917	16.60	16.60	16.60	16.60
1.01	99.6490	73.7584	19.0134	5.0500	2.1783	100	49,677,668	12,805,886	3,401,251	1,467,111	67,351,917	16.54	16.77	16.77	16.77
1.02	99.2980	73.4985	19.2016	5.1000	2.1998	100	49,502,675	12,932,677	3,434,927	1,481,637	67,351,917	16.49	16.93	16.93	16.93
1.03	98.9469	73.2387	19.3899	5.1500	2.2214	100	49,327,683	13,059,468	3,468,603	1,496,163	67,351,917	16.43	17.10	17.10	17.10
1.04	98.5959	72.9789	19.5781	5.2000	2.2430	100	49,152,690	13,186,259	3,502,279	1,510,689	67,351,917	16.37	17.27	17.27	17.27
1.05	98.2449	72.7191	19.7664	5.2500	2.2645	100	48,977,698	13,313,050	3,535,954	1,525,215	67,351,917	16.31	17.43	17.43	17.43
1.06	97.8939	72.4593	19.9547	5.3000	2.2861	100	48,802,705	13,439,841	3,569,630	1,539,741	67,351,917	16.25	17.60	17.60	17.60
1.07	97.5429	72.1994	20.1429	5.3500	2.3077	100	48,627,713	13,566,632	3,603,306	1,554,267	67,351,917	16.19	17.76	17.76	17.76
1.08	97.1918	71.9396	20.3312	5.4000	2.3292	100	48,452,720	13,693,423	3,636,982	1,568,792	67,351,917	16.14	17.93	17.93	17.93
1.09	96.8408	71.6798	20.5194	5.4500	2.3508	100	48,277,727	13,820,214	3,670,657	1,583,318	67,351,917	16.08	18.10	18.10	18.10
1.10	96.4898	71.4200	20.7077	5.5000	2.3724	100	48,102,735	13,947,005	3,704,333	1,597,844	67,351,917	16.02	18.26	18.26	18.26
1.11	96.1388	71.1602	20.8959	5.5500	2.3939	100	47,927,742	14,073,796	3,738,009	1,612,370	67,351,917	15.96	18.43	18.43	18.43
1.12	95.7878	70.9004	21.0842	5.6000	2.4155	100	47,752,750	14,200,587	3,771,685	1,626,896	67,351,917	15.90	18.59	18.59	18.59
1.13	95.4367	70.6405	21.2724	5.6500	2.4371	100	47,577,757	14,327,378	3,805,360	1,641,422	67,351,917	15.84	18.76	18.76	18.76
1.14	95.0857	70.3807	21.4607	5.7000	2.4586	100	47,402,765	14,454,169	3,839,036	1,655,948	67,351,917	15.79	18.93	18.93	18.93
1.15	94.7347	70.1209	21.6489	5.7500	2.4802	100	47,227,772	14,580,960	3,872,712	1,670,473	67,351,917	15.73	19.09	19.09	19.09
1.16	94.3837	69.8611	21.8372	5.8000	2.5018	100	47,052,779	14,707,751	3,906,388	1,684,999	67,351,917	15.67	19.26	19.26	19.26
1.17	94.0327	69.6013	22.0254	5.8500	2.5234	100	46,877,787	14,834,542	3,940,063	1,699,525	67,351,917	15.61	19.42	19.42	19.42
1.18	93.6816	69.3414	22.2137	5.9000	2.5449	100	46,702,794	14,961,332	3,973,739	1,714,051	67,351,917	15.55	19.59	19.59	19.59
1.19	93.3306	69.0816	22.4019	5.9500	2.5665	100	46,527,802	15,088,123	4,007,415	1,728,577	67,351,917	15.49	19.76	19.76	19.76
1.20	92.9796	68.8218	22.5902	6.0000	2.5881	100	46,352,809	15,214,914	4,041,091	1,743,103	67,351,917	15.44	19.92	19.92	19.92
1.21	92.6286	68.5620	22.7784	6.0500	2.6096	100	46,177,817	15,341,705	4,074,766	1,757,629	67,351,917	15.38	20.09	20.09	20.09
1.22	92.2776	68.3022	22.9667	6.1000	2.6312	100	46,002,824	15,468,496	4,108,442	1,772,154	67,351,917	15.32	20.25	20.25	20.25
1.23	91.9266	68.0424	23.1549	6.1500	2.6528	100	45,827,832	15,595,287	4,142,118	1,786,680	67,351,917	15.26	20.42	20.42	20.42
1.24	91.5755	67.7825	23.3432	6.2000	2.6743	100	45,652,839	15,722,078	4,175,794	1,801,206	67,351,917	15.20	20.59	20.59	20.59
1.25	91.2245	67.5227	23.5314	6.2500	2.6959	100	45,477,846	15,848,869	4,209,469	1,815,732	67,351,917	15.15	20.75	20.75	20.75

CIP Shift	Res Factor	Share Percentages					Levy Amounts					Estimated Tax Rates			
		Res	Com	Ind	PP	Total	Res	Com	Ind	PP	Total	Res	Com	Ind	PP
1.26	90.8735	67.2629	23.7197	6.3000	2.7175	100	45,302,854	15,975,660	4,243,145	1,830,258	67,351,917	15.09	20.92	20.92	20.92
1.27	90.5225	67.0031	23.9079	6.3500	2.7390	100	45,127,861	16,102,451	4,276,821	1,844,784	67,351,917	15.03	21.08	21.08	21.08
1.28	90.1715	66.7433	24.0962	6.4000	2.7606	100	44,952,869	16,229,242	4,310,497	1,859,310	67,351,917	14.97	21.25	21.25	21.25
1.29	89.8204	66.4834	24.2844	6.4500	2.7822	100	44,777,876	16,356,033	4,344,172	1,873,835	67,351,917	14.91	21.42	21.42	21.42
1.30	89.4694	66.2236	24.4727	6.5000	2.8037	100	44,602,884	16,482,824	4,377,848	1,888,361	67,351,917	14.85	21.58	21.58	21.58
1.31	89.1184	65.9638	24.6609	6.5500	2.8253	100	44,427,891	16,609,615	4,411,524	1,902,887	67,351,917	14.80	21.75	21.75	21.75
1.32	88.7674	65.7040	24.8492	6.6000	2.8469	100	44,252,898	16,736,406	4,445,200	1,917,413	67,351,917	14.74	21.91	21.91	21.91
1.33	88.4164	65.4442	25.0374	6.6500	2.8684	100	44,077,906	16,863,197	4,478,875	1,931,939	67,351,917	14.68	22.08	22.08	22.08
1.34	88.0653	65.1844	25.2257	6.7000	2.8900	100	43,902,913	16,989,988	4,512,551	1,946,465	67,351,917	14.62	22.25	22.25	22.25
1.35	87.7143	64.9245	25.4139	6.7500	2.9116	100	43,727,921	17,116,779	4,546,227	1,960,991	67,351,917	14.56	22.41	22.41	22.41
1.36	87.3633	64.6647	25.6022	6.8000	2.9331	100	43,552,928	17,243,570	4,579,903	1,975,516	67,351,917	14.50	22.58	22.58	22.58
1.37	87.0123	64.4049	25.7904	6.8500	2.9547	100	43,377,936	17,370,361	4,613,578	1,990,042	67,351,917	14.45	22.74	22.74	22.74
1.38	86.6613	64.1451	25.9787	6.9000	2.9763	100	43,202,943	17,497,152	4,647,254	2,004,568	67,351,917	14.39	22.91	22.91	22.91
1.39	86.3102	63.8853	26.1670	6.9500	2.9978	100	43,027,950	17,623,943	4,680,930	2,019,094	67,351,917	14.33	23.08	23.08	23.08
1.40	85.9592	63.6254	26.3552	7.0000	3.0194	100	42,852,958	17,750,733	4,714,606	2,033,620	67,351,917	14.27	23.24	23.24	23.24
1.41	85.6082	63.3656	26.5435	7.0500	3.0410	100	42,677,965	17,877,524	4,748,281	2,048,146	67,351,917	14.21	23.41	23.41	23.41
1.42	85.2572	63.1058	26.7317	7.1000	3.0625	100	42,502,973	18,004,315	4,781,957	2,062,672	67,351,917	14.15	23.57	23.57	23.57
1.43	84.9062	62.8460	26.9200	7.1500	3.0841	100	42,327,980	18,131,106	4,815,633	2,077,197	67,351,917	14.10	23.74	23.74	23.74
1.44	84.5551	62.5862	27.1082	7.2000	3.1057	100	42,152,988	18,257,897	4,849,309	2,091,723	67,351,917	14.04	23.91	23.91	23.91
1.45	84.2041	62.3264	27.2965	7.2500	3.1272	100	41,977,995	18,384,688	4,882,985	2,106,249	67,351,917	13.98	24.07	24.07	24.07
1.46	83.8531	62.0665	27.4847	7.3000	3.1488	100	41,803,003	18,511,479	4,916,660	2,120,775	67,351,917	13.92	24.24	24.24	24.24
1.47	83.5021	61.8067	27.6730	7.3500	3.1704	100	41,628,010	18,638,270	4,950,336	2,135,301	67,351,917	13.86	24.40	24.40	24.40
1.48	83.1511	61.5469	27.8612	7.4000	3.1919	100	41,453,017	18,765,061	4,984,012	2,149,827	67,351,917	13.80	24.57	24.57	24.57
1.49	82.8000	61.2871	28.0495	7.4500	3.2135	100	41,278,025	18,891,852	5,017,688	2,164,353	67,351,917	13.75	24.74	24.74	24.74
1.50	82.4490	61.0273	28.2377	7.5000	3.2351	100	41,103,032	19,018,643	5,051,363	2,178,878	67,351,917	13.69	24.90	24.90	24.90

Note: This table should be used for planning purposes only.

Actual calculations may differ slightly due to rounding.

For actual calculations, complete Recap.

ADDENDUM C